



9M 2014 RESULTS PRESENTATION

November 12th, 2014

Milan

- **Highlights** **Pietro Salini**

- **Financial Performance** **Massimo Ferrari**

- **Update on Main Events** **Massimo Ferrari**

- **2014 Guidance** **Pietro Salini**

9M Highlights

ON TRACK TO ACHIEVE 2014 TARGETS AND THE BUSINESS PLAN

Solid operational growth

Strong trend in Profitability

Financial structure under control

Sep 30th 2014

- Backlog of €28.7bn
- New construction orders of €2.9bn, plus additional order of €0.6bn received post 30-Sep-2014
- €2.3bn Orders pipeline where the Company is the best offeror
- Solid revenues growth: +7% YoY
- EBIT Margin 5.9%
- Gross debt improvement since 2013 year end
- Net financial position influenced by Net working capital seasonality, improvement expected by year end
- €0.3bn advances to be received on existing contracts and additional €0.3bn linked to best offeror pipeline
- Synergies program fully on track
- 2014 targets confirmed

€mn	September 30 th 2014
3,088	Revenues
182	EBIT
(411)	NFP

New Orders and Backlog Evolution

CONTINUOUS SUCCESSES IN COMMERCIAL ACTIVITY (BOTH ON AWARDED AND BEST OFFER CONTRACTS) GIVE CONFIDENCE ON YEAR-END TARGETS

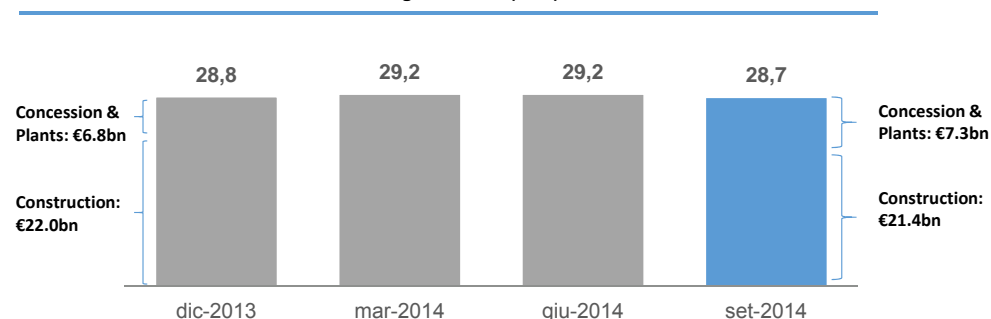
New orders as at Sep 30th 2014 €3.5 bn

2014 New Orders Acquisition (€m)

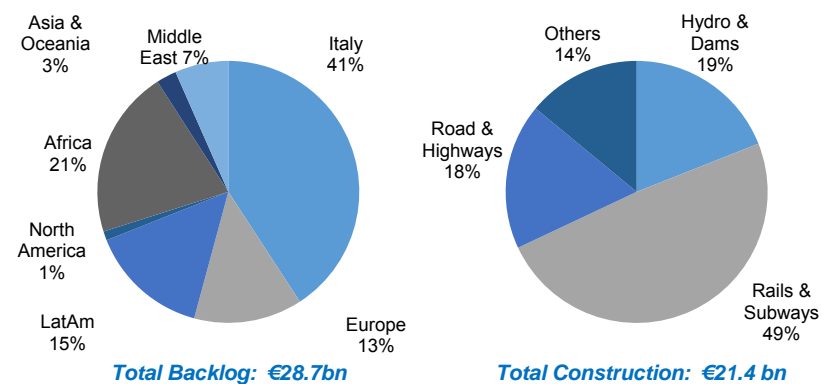
UAE	Abu Dhabi	Highway	22
Peru	Lima	Metro Construction	557
Peru	Lima	Metro Concession	576
Austria	Brennero	Gallery	185
Italy	Isarco	Gallery	124
Slovakia	Lietavska	Highway	307
Switzerland	CSC	Other	69
Poland	S8 Highway	Highway	80
<i>Variations, Share Increases</i>			1,561
Tot. Awarded 30-Sep-14			3,480
Denmark Variations			240
Poland	S7 Highway	Highway	194
Cleveland	Dugway Tunnel	Gallery	123
Awarded After Sep-14			557
Awarded to Date			4,037

Total Backlog of €28.7bn

Backlog Evolution (€bn)



Backlog Breakdown (30-Sep-2014)



2014YTD Key Operational Highlights

THE GROUP BIDS ARE CURRENTLY NAMED “BEST OFFER” IN 5 PROJECTS WORTH A TOTAL OF €2.3BN
ADDITIONAL OPPORTUNITIES FOR €3.8BN ARE CURRENTLY IN THE PIPELINE

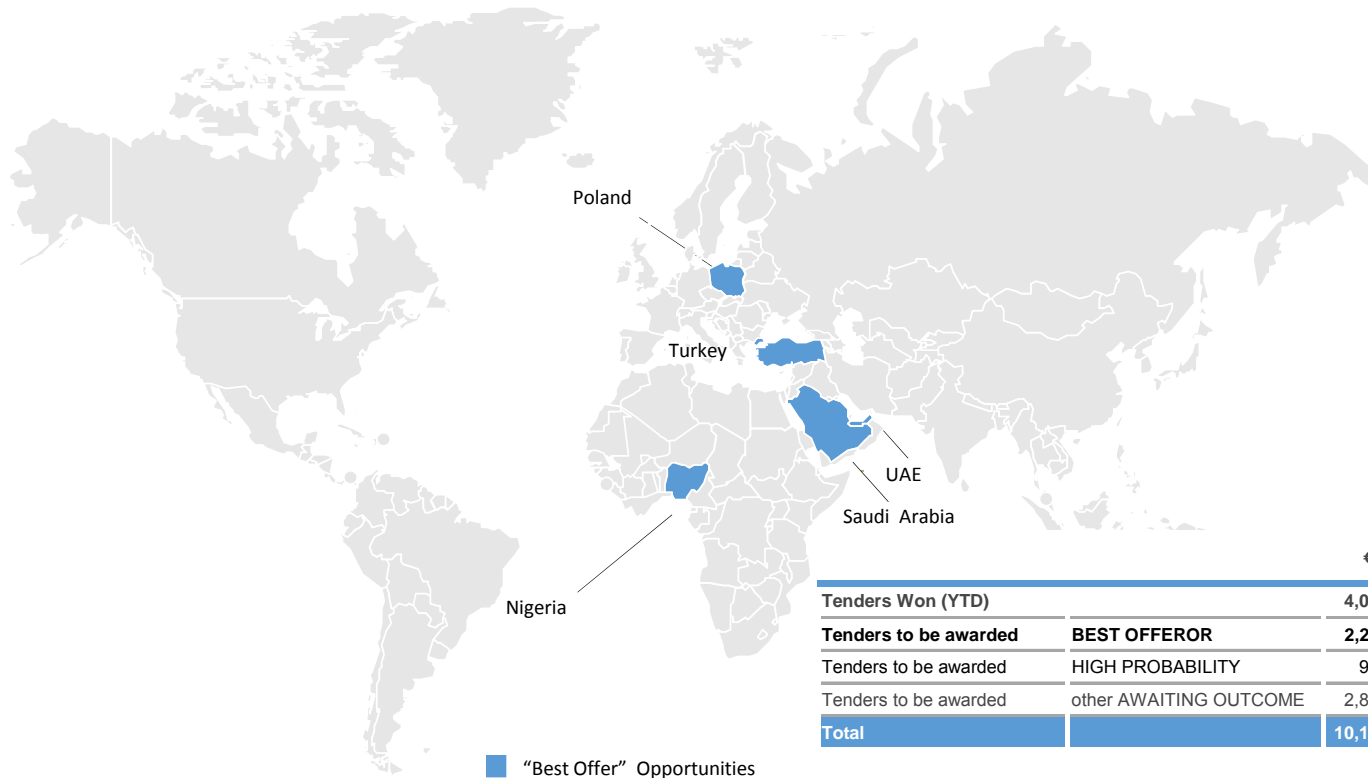
Increased Bidding
Capacity

Solid proof of
commercial synergies:
increased number
of tenders submitted

Group named preferred
bidders on 5 tenders for
a total value of more than
€2.3 bn

Further 3 Best Offer
(w. High Probability)
Opportunities worth
~€1.0bn

Tenders submitted to
date awaiting outcome for
€2.8bn



		€m	Tenders
Tenders Won (YTD)		4,037	9
Tenders to be awarded	BEST OFFEROR	2,288	5
Tenders to be awarded	HIGH PROBABILITY	950	3
Tenders to be awarded	other AWAITING OUTCOME	2,828	5
Total		10,103	22

Note: Avg. Prev. 3 Years refer to 2009-2010-2011

- **Highlights** **Pietro Salini**

- **Financial Performance** **Massimo Ferrari**

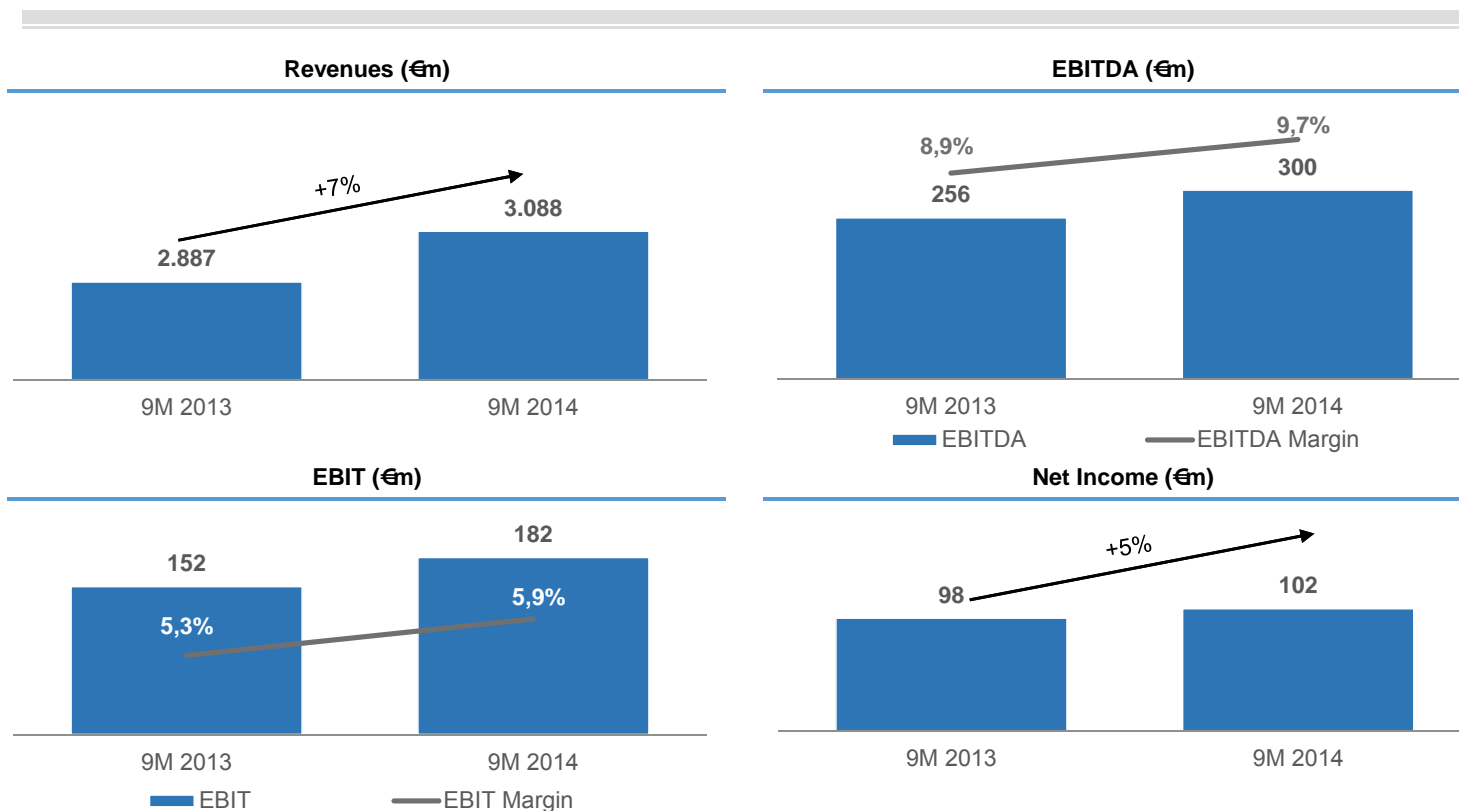
- **Update on Main Events** **Massimo Ferrari**

- **2014 Guidance** **Pietro Salini**

Key Financial Highlights: Focus on Revenues & Profitability

9M RESULTS CONFIRMS GROWTH. EARNINGS & EBIT MARGIN ABOVE 2014 TARGETS

Revenues Visibility:
Construction Backlog /
L12M Revenues = 5.2x



Note: 2013 Figures restated and aggregated for comparative reasons. Different from statutory accounts

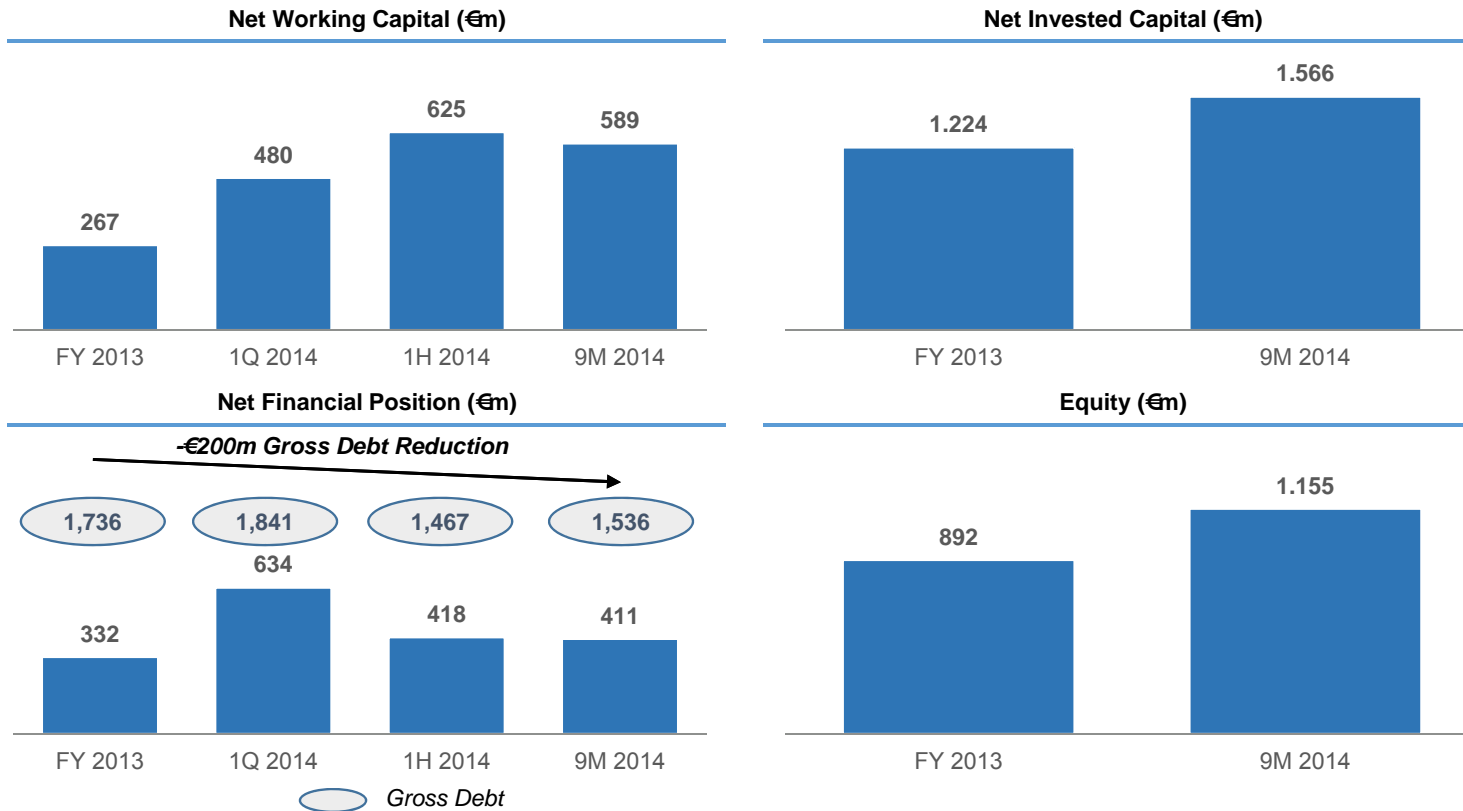


Key Financial Highlights: Capital Structure

NET FINANCIAL POSITION INFLUENCED BY NET WORKING CAPITAL SEASONALITY, IMPROVEMENT EXPECTED.

Solid Liquidity Position
Of ~€900m

Gross Debt Reduction of
€200m since FY 2013

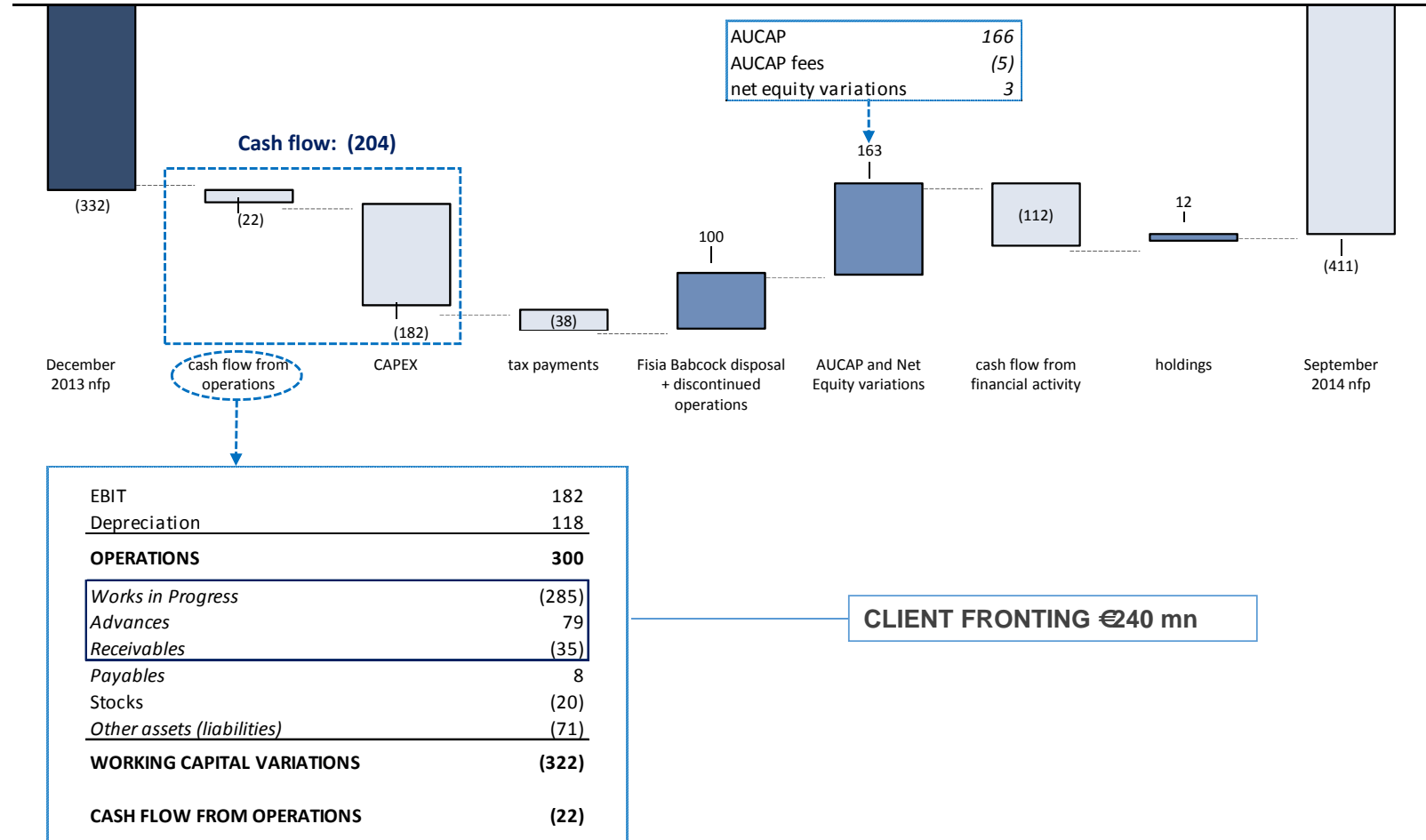


Key Financial Highlights: Cash Flow

After September 30, ca €30mn cashed in from the advances of contracts

€0.3bn advances to be received on existing contracts and additional €0.3bn linked to best offer opportunity pipeline

Management and optimization of the cash conversion cycle confirms historical trend of working capital reduction in Q4



- **Highlights** **Pietro Salini**

- **Financial Performance** **Massimo Ferrari**

- **Update on Main Events** **Massimo Ferrari**

- **2014 Guidance** **Pietro Salini**

Update on Main Events

FOREX

- Impact from FX limited despite high volatility in the FX market. This is due to the naturally hedged position of the Company:
 - Large contracts are priced in strong currency (EUR or USD) for a high portion
 - The portion priced in local currency is hedged by local costs (labour and certain input costs)
- The exceptional events of Venezuela already accounted in 1H 2014

SYNERGIES

- Synergies program fully on track

BUY BACK

- On 6th of October the Company has started own share buy-back program, as per Ordinary Shareholders meeting resolution dated 19th of September 2014
- From program commencement up to 31st of October 2014 Salini Impregilo has purchased n. **3.104.377** ordinary own shares, **equal to 0,631% of ordinary capital, at an average price of €2,4729 per share, for a total equivalent value of €7,67 million.**

- **Highlights** **Pietro Salini**

- **Financial Performance** **Massimo Ferrari**

- **Update on Main Events** **Massimo Ferrari**

- **2014 Guidance** **Pietro Salini**

Outlook 2014

2014 OPERATING GUIDANCE REAFFIRMED

Targets 2014	How Are We Doing?
Revenues +10% vs. 2013	9M 2014 at +7%; target of +10% confirmed
EBIT Margin > 5%	9M 2014 well above target at 5.9%
Construction Orders in Line With 2013	On track considering orders received post 30-Sep-2014 and orders where the Company is placed as best offer
Net Financial Position Neutral	Confident to meet FY 2014 Target considering the cyclical NWC and expected advance payments on existing orders and new orders

Key Financials

RECLASSIFIED PROFIT & LOSS *(on comparable basis)*

RECLASSIFIED INCOME STATEMENT OF SALINI IMPREGILO GROUP

Thousand €	9 months 2014	9 months 2013 of Salini Group restated on comparable basis	change
Operating revenue	3.032.935	2.840.616	192.319
Other revenue	55.407	46.637	8.770
Total revenue	3.088.342	2.887.253	201.089
Costs	(2.788.553)	(2.631.323)	(157.230)
Gross operating profit (EBITDA)	299.789	255.930	43.859
Gross operating profit %	9,7%	8,9%	
Amortisation and depreciation	(118.158)	(104.088)	(14.070)
Operating profit (loss) (EBIT)	181.631	151.842	29.789
Return on Sales %	5,9%	5,3%	
Net financing costs	(111.693)	(68.792)	(42.901)
Net gains on investments	4.492	5.403	(911)
Net financing costs and net gains on investments	(107.201)	(63.389)	(43.812)
Profit (loss) before tax	74.430	88.453	(14.023)
Income tax expense	(27.539)	(44.806)	17.267
Profit (loss) from continuing operations	46.891	43.647	3.244
Profit from discontinued operations	55.226	53.998	1.228
Profit (loss) for the period	102.117	97.645	4.472
Non-controlling interests	3.626	3.385	241
Profit (loss) for the period attributable to the owners of the parent	105.743	101.030	4.713

Key Financials

RECLASSIFIED PROFIT & LOSS (Statutory)

RECLASSIFIED INCOME STATEMENT OF SALINI IMPREGILO GROUP

Thousand €	9 months 2014	9 months 2013 (*) of Salini Group restated in compliance with IFRS 3 and IFRS 5	
			change
Operating revenue	3.032.935	2.307.600	725.335
Other revenue	55.407	34.328	21.079
Total revenue	3.088.342	2.341.928	746.414
Costs	(2.788.553)	(2.167.910)	(620.643)
Gross operating profit (EBITDA)	299.789	174.018	125.771
Gross operating profit %	9,7%	7,4%	
Amortisation and depreciation	(118.158)	(89.864)	(28.294)
Operating profit (loss) (EBIT)	181.631	84.154	97.477
Return on Sales %	5,9%	3,6%	
Net financing costs	(111.693)	(60.205)	(51.488)
Net gains on investments	4.492	205.270	(200.778)
Net financing costs and net gains on investments	(107.201)	145.065	(252.266)
Profit (loss) before tax	74.430	229.219	(154.789)
Income tax expense	(27.539)	(26.104)	(1.435)
Profit (loss) from continuing operations	46.891	203.115	(156.224)
Profit from discontinued operations	55.226	(40.934)	96.160
Profit (loss) for the period	102.117	162.181	(60.064)
Non-controlling interests	3.626	3.207	419
Profit (loss) for the period attributable to the owners of the parent	105.743	165.388	(59.645)

(*) economic data for the first 9 months of 2013 have been restated in accordance with IFRS 10 and IFRS 11 and IFRS 3 and in accordance with the provisions of IFRS 5 with reference to Todini Costruzioni Generali and Fisia Babcock Environment

RECLASSIFIED BALANCE SHEET

RECLASSIFIED CONSOLIDATED BALANCE SHEET OF SALINI IMPREGILO GROUP

Thousand €	30 September 2014	31 December 2013 (\$)	change
Non-current assets	802.873	746.858	56.015
Non-current assets held for sale, net	191.113	235.543	(44.430)
Provisions for risks	(104.950)	(102.207)	(2.743)
Post-employment benefits and employee benefits	(19.772)	(20.508)	736
Other non-current assets, net	16.875	16.502	373
Net tax assets	91.339	81.153	10.186
<i>Inventories</i>	<i>235.024</i>	<i>215.321</i>	<i>19.703</i>
<i>Contract work in progress</i>	<i>1.389.869</i>	<i>1.105.176</i>	<i>284.693</i>
<i>Progress payments and advances on contract work in progress</i>	<i>(1.710.070)</i>	<i>(1.630.770)</i>	<i>(79.300)</i>
<i>Receivables</i>	<i>1.921.032</i>	<i>1.886.462</i>	<i>34.570</i>
<i>Payables</i>	<i>(1.390.750)</i>	<i>(1.382.725)</i>	<i>(8.025)</i>
<i>Other current assets</i>	<i>370.188</i>	<i>287.889</i>	<i>82.299</i>
<i>Other current liabilities</i>	<i>(226.571)</i>	<i>(214.837)</i>	<i>(11.734)</i>
Working capital	588.722	266.516	322.206
Net invested capital	1.566.200	1.223.857	342.343
Equity attributable to the owners of the parent	1.122.793	699.627	423.166
Non-controlling interests	32.657	192.522	(159.865)
Equity	1.155.450	892.149	263.301
Net financial position	410.750	331.708	79.042
Total financial resources	1.566.200	1.223.857	342.343

(\$) the balance sheet at December 31, 2013 has been restated in accordance with IFRS 10 and IFRS 11

NET FINANCIAL POSITION

NET FINANCIAL POSITION OF SALINI IMPREGILO GROUP

€/000	September 30 2014	December 31 2013 (a)	Changes
Non current financial assets	59,689	48,928	10,761
Current financial assets	17,925	222,113	(204,188)
Cash & Cash equivalents	442,579	908,631	(466,052)
Total cash and cash equivalents and other financial assets	520,193	1,179,672	(659,479)
Bank and other loans	(459,911)	(634,693)	174,782
Bonds	(550,336)	(552,542)	2,206
Finance lease payables	(106,695)	(97,671)	(9,024)
Total non-current indebtedness	(1,116,942)	(1,284,906)	167,964
Current portion of bank loans and current account facilities	(176,176)	(313,819)	137,643
Current portion of bond issues	(12,403)	(11,154)	(1,249)
Current portion of finance lease payables	(46,624)	(45,422)	(1,202)
Total current indebtedness	(235,203)	(370,395)	135,192
Derivative assets	0	1,016	(1,016)
Derivative liabilities	(5,662)	(4,354)	(1,308)
Financial assets held by SPVs	604,927	223,789	381,138
Current indebtedness held by SPVs	(176,663)	(62,046)	(114,617)
Non-current indebtedness held by SPVs	(1,400)	(14,484)	13,084
Total other financial assets (liabilities)	421,202	143,921	277,281
Total net financial position – continuing operations	(410,750)	(331,708)	(79,042)
Net financial position for assets held for sale	(50,839)	(53,868)	3,029
Net financial position including non-current assets held for sale	(461,589)	(385,576)	(76,013)

(a) The data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

RECLASSIFIED CASH FLOW

CONSOLIDATED STATEMENT OF CASH FLOWS OF SALINI IMPREGILO GROUP

(Eur/000)	9M 2014	9M 2013
Cash and cash equivalents	908.631	371.252
Overdrafts and short term loans share	(126.624)	(37.289)
Total opening cash and cash equivalents	782.007	333.963
Total income statement	265.403	103.869
Total operating cash flow	(657.912)	(261.073)
Cash generated from (used in) operating activities	(392.509)	(157.204)
Cash flow generated (used) in investing activities	(164.259)	(190.239)
Cash flow generated (used) in financing activities	(4.106)	415.452
Net Financial Position of activities held for sale	61.196	211.077
Net exchange rate losses on cash and cash equivalents	131.585	(3.176)
Increase (Decrease) in cash and cash equivalents	(368.093)	275.910
Cash and cash equivalents	442.579	768.275
Overdrafts and short term loans share	(28.665)	(158.402)
Total closing cash and cash equivalents	413.914	609.873